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# REVIEW OF ECONOMIC TRENDS



*Prepared By The*  
**ONTARIO DEPARTMENT OF ECONOMICS**  
**AND**  
**DEVELOPMENT**

Vol. 3, No. 9.

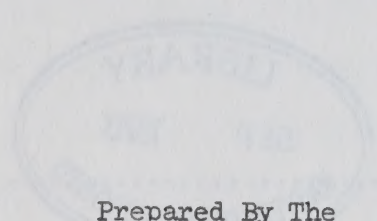
October, 1962





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AND DEVELOPMENT



UNIVERSITY OF TORONTO LIBRARY



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TORONTO, CANADA

Business activity in Canada and Ontario in 1982 was at a very high level. While there was a sharp decline in the first half of the year, the recovery was rapid and by the end of the year business activity was at a level similar to that of 1981. The recovery was helped by a number of factors, including a strong demand for exports, a recovery in the housing market, and a recovery in the manufacturing sector. The recovery was also helped by a number of factors, including a strong demand for exports, a recovery in the housing market, and a recovery in the manufacturing sector.

The recovery in business activity in Canada and Ontario in 1982 was a result of a number of factors, including a strong demand for exports, a recovery in the housing market, and a recovery in the manufacturing sector. The recovery was also helped by a number of factors, including a strong demand for exports, a recovery in the housing market, and a recovery in the manufacturing sector.

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In 1982, there was a sharp decline in business activity in Canada and Ontario in the first half of the year. The recovery was rapid and by the end of the year business activity was at a level similar to that of 1981. The recovery was helped by a number of factors, including a strong demand for exports, a recovery in the housing market, and a recovery in the manufacturing sector. The recovery was also helped by a number of factors, including a strong demand for exports, a recovery in the housing market, and a recovery in the manufacturing sector.

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## SUMMARY

Economic activity in Ontario and Canada is continuing to hold at a very high level. While there has been no starting upward push there has likewise been no real sign of decline and the economic indicators continue to display a gentle pattern of ups and downs. Most of the lead indicators were pointing up in June, down in July and in August and September showed fairly evenly balanced ups and downs.

Industrial production showed about the usual seasonal change between June and July and then in August continued the earlier upward trend. Manufacturing production has risen fairly steadily rising throughout 1962. The very strong position in the automobile industry and in heavy iron and steel has been reflected in a very rapid rise in the production index of durable manufacturers; the non-durables have also been rising although not so spectacularly. Mining production dropped off in the summer and in July the seasonally adjusted index was slightly below that in January but in August mining moved up as crude petroleum production surged ahead and there were also gains in production of most minerals. Electric power and gas production also levelled off in the early summer after continuing increases since early in 1961. But the upturn in general production indexes in August was reflected in increased production of both electric power and gas. The most buoyant sectors of production are crude petroleum, motor vehicles, primary iron and steel, machinery, heavy electrical machinery, non-metallic mineral products and certain textiles.

In mid-summer there was a slightly larger than usual build-up in inventories of manufactured goods but the ratio of inventories owned to shipments continued to drop and was well below last year's level. New orders appear to have levelled off during the summer, but they are still coming in at a good rate. Production has been keeping pace with incoming orders so that there has been little change in unfilled orders for the past few months.

New construction this year has been stronger than last but has not shown any spectacular rise. However, the downturn in new contracts awarded in July and August has been offset by a sharp rise in September in Canadian contracts. Residential construction has also been very high and housing starts for the whole year are expected to exceed those of 1961. In Ontario,



## SUMMARY

Potential activity in Ontario and Canada is continuing to hold at a very high level. While there has been no starting upward push there has likewise been no real sign of decline and the economic indicators continue to display a gentle pattern of ups and downs. Most of the indicators were pointing up in June, down in July and in August and September showed fairly evenly balanced ups and downs.

Industrial production showed about the usual seasonal change between June and July and then in August continued the earlier upward trend. Manufacturing production was fairly steadily rising throughout 1962. The very strong position in the automobile industry and in heavy iron and steel has been reflected in a very rapid rise in the production index of durable manufactures; the non-durables have also been rising although not so spectacularly. Mining production dropped off in the summer and in July the seasonally adjusted index was slightly below that in January but in August mining moved up as crude petroleum production caught ahead and there were also increases in natural gas and coal production. The production index for the non-durable manufactures since early in 1961. But the season in general production index in August was reflected in the production index for the power and gas. The most important sectors of production are crude petroleum, motor vehicles, primary iron and steel, machinery, heavy electrical machinery, non-metallic mineral products and certain textiles.

In mid-summer there was a slightly larger than usual build-up in inventories of manufactured goods but the ratio of inventories owned to shipments continued to drop and was well below last year's level. Few orders appear to have levelled off during the summer, but they are still coming in at a good rate. Production has been keeping pace with incoming orders so that there has been little change in unfilled orders for the past few months.

New construction this year has been stronger than last but has not shown any spectacular rise. However, the downturn in new contracts awarded in July and August has been offset by a sharp rise in September in Canadian construction. Residential construction has also been very high and housing starts for the whole year are expected to exceed those of 1961. In Ontario,



construction contracts other than residential have been declining in recent months but in September total business, industrial and engineering contracts, seasonally adjusted, were still at about the average 1961 level and for the year they have been well ahead of last year.

Business failures in both Ontario and Canada have been at a surprisingly high level this year in view of the reasonably high level of economic activity. Both in number of failures and in liabilities the totals have been higher than in 1961.

Employment is continuing to climb in both Ontario and Canada and in September Ontario unemployment, seasonally adjusted, dipped to the lowest level since 1959. While the September improvement was largely the result of a greater than usual return of young people to schools, rather than an upward employment push, the reduced unemployment level is encouraging.

This year's higher levels of employment, particularly in high wage industries such as automobiles and steel, and continuing gradual rises in wage rates have brought steady increases in labour income all across the country. With the concentration of some of those high wage industries in Ontario, incomes in this Province have been rising more rapidly.

The steady rise in incomes has been reflected in fairly strong retail trade. There is still no change in the trend of sales but they are continuing at about the level reached in the final months of 1961, well above early 1961 and 1960 rates. Part of the increase is accounted for by price increases but there has been a noticeable rise in volume as compared with last year.

Foreign trade is significantly higher than in 1961 and while the trade gap widened in the early months of the year, the improvement in the foreign exchange position in recent months appears to indicate some improvement in the commodity trade balance.

The United States economy is still moving along on a plateau and so is unlikely to have much effect on the Canadian or Ontario economies, particularly since the Cuban crisis has not brought forward any plan for a major build-up of critical materials.





ECONOMIC INDICATORS - SEASONALLY ADJUSTEDI. Leading Indicators

<u>Average Weekly Hours Worked in Manufacturing</u>			<u>Industrial Stock Index T.S.E.</u>  1934=100	<u>Business Failures</u>				
<u>Ontario</u>	<u>Canada</u>	<u>Number</u>		<u>Liabilities</u>				
		<u>Ontario</u>		<u>Canada</u>	<u>Ontario</u>	<u>Canada</u>		
							\$'000	
1959	40.6	40.7	528.37	586	1,483	34,399	74,657	
1960	40.3	40.4	494.69	734	1,901	121,527	180,327	
1961	40.5	40.6	583.54	815	2,028	51,036	115,778	
1960	Jan.	40.4	40.6	512.91	52	142	5,324	9,771
	Feb.	40.1	40.3	499.60	56	145	22,674	30,740
	Mar.	40.2	40.4	493.22	61	155	7,817	10,249
	Apr.	40.2	40.3	486.24	68	143	5,811	12,157
	May	40.0	39.9	488.92	76	150	4,173	10,209
	June	40.1	40.2	480.31	59	139	4,948	10,888
	July	40.3	40.5	463.68	58	144	3,175	7,267
	Aug.	40.3	40.3	491.78	66	196	5,150	11,410
	Sept.	40.3	40.4	490.43	86	173	7,768	11,942
	Oct.	40.1	40.2	497.33	66	159	4,850	11,250
	Nov.	40.1	40.2	508.24	67	173	4,143	11,364
	Dec.	40.0	40.1	524.63	77	188	7,678	13,882
1961	Jan.	39.9	40.0	543.55	75	161	3,211	7,798
	Feb.	40.3	40.3	555.75	54	183	1,197	3,759
	Mar.	40.0	40.2	557.81	53	142	4,359	10,583
	Apr.	40.1	40.4	577.15	83	166	5,763	16,718
	May	40.3	40.3	569.60	70	175	6,333	10,682
	June	40.5	40.8	579.28	110	225	5,408	9,399
	July	40.4	40.5	577.05	69	183	9,092	16,926
	Aug.	40.8	40.7	587.30	74	153	11,671	12,933
	Sept.	40.9	40.8	603.32	89	177	4,342	8,287
	Oct.	40.8	40.7	611.03	63	184	5,161	13,870
	Nov.	40.7	40.7	620.61	55	157	4,884	11,657
	Dec.	40.6	40.5	617.55	42	126	3,134	7,377
1962	Jan.	40.5	40.5	608.97	97	193	4,077	8,473
	Feb.	40.7	40.7	618.93	57	161	961	3,061
	Mar.	40.9	40.9	621.77	68	149	4,546	6,547
	Apr.	40.5	40.4	608.95	89	183	4,640	12,272
	May	41.0	40.8	555.37	88	187	7,758	13,687
	June	40.9	40.9	523.84	95	169	7,368	12,833
	July	40.9	40.8	527.48	82	180	4,402	9,037
	Aug.			543.67	84	193	10,403	15,560
	Sept.			538.89	97	223	7,953	15,045
	Oct.							
	Nov.							
	Dec.							





ECONOMIC INDICATORS - SEASONALLY ADJUSTEDI. Leading Indicators

		<u>New Orders in</u> <u>Manufacturing</u>		<u>New Dwelling</u> <u>Unit Starts</u>		<u>Housing Contracts</u>		<u>Business, Industrial</u> <u>and Engineering</u> <u>Contracts</u>	
		<u>Canada</u>	<u>Ontario</u>	<u>Canada</u>	<u>Ontario</u>	<u>Canada</u>	<u>Ontario</u>	<u>Canada</u>	<u>Ontario</u>
		\$ Million	No.	No.	\$ Million	\$ Million	\$ Million	\$ Million	\$ Million
1959		23,330	54,158(1)	141,345(1)	504.8	1,111.7	757.5	2,107.4	
1960		23,086	42,282	108,858	374.9	769.8	951.0	2,284.0	
1961		23,994	48,144	125,577	402.6	1,006.0	826.4	2,217.0	
1960	Jan.	1,917	2,732	9,056	31.4	78.4	97.5	235.2	
	Feb.	1,971	2,359	6,051	20.5	58.9	56.0	236.3	
	Mar.	1,978	1,539	5,674	24.6	56.7	91.1	177.2	
	Apr.	1,859	1,766	5,499	33.8	72.9	166.1	313.9	
	May	1,879	2,134	5,249	28.2	56.3	53.8	194.8	
	June	1,932	2,631	5,888	31.8	64.0	32.7	173.5	
	July	1,865	2,819	6,413	35.1	66.0	53.2	170.7	
	Aug.	1,936	2,091	5,514	30.7	61.7	60.3	131.9	
	Sept.	1,990	2,781	6,324	32.0	63.5	78.2	184.3	
	Oct.	1,884	2,854	6,904	34.2	65.4	65.3	149.7	
	Nov.	1,968	3,200	7,184	28.9	64.1	68.9	167.6	
	Dec.	1,922	3,354	8,947	35.9	71.0	63.6	175.3	
1961	Jan.	1,901	2,890	9,316	49.2	93.6	83.3	194.0	
	Feb.	1,870	4,211	10,929	19.4	53.8	76.7	150.9	
	Mar.	1,946	4,258	10,377	36.4	81.5	31.8	141.4	
	Apr.	1,890	2,756	7,951	38.7	92.0	43.3	170.5	
	May	1,951	2,725	6,696	33.6	86.1	51.9	137.2	
	June	2,001	2,690	7,177	33.6	78.4	116.3	186.9	
	July	1,971	2,737	6,403	29.7	77.7	79.2	184.8	
	Aug.	2,099	3,504	7,850	46.5	99.6	56.8	156.2	
	Sept.	2,060	3,385	7,610	38.9	84.7	75.8	259.5	
	Oct.	2,042	2,544	6,997	20.2	66.5	65.8	160.6	
	Nov.	2,217	3,052	8,442	31.0	92.9	85.1	270.0	
	Dec.	2,043	3,385	8,572	32.6	98.2	71.4	182.7	
1962	Jan.	2,125	3,192	9,922	40.1	147.2	109.3	207.8	
	Feb.	2,087	1,983	9,111	28.5	86.7	109.5	190.1	
	Mar.	2,148	3,036	9,608	32.9	93.1	57.8	181.0	
	Apr.	2,038	3,086	8,610	26.7	88.7	66.1	163.3	
	May	2,175	2,947	7,202	35.4	93.5	62.3	139.5	
	June	2,210	2,879	7,820	41.8	104.6	157.6	227.4	
	July	2,137	2,953	7,406	37.1	90.8	74.7	158.4	
	Aug.	2,159	3,031	7,764	37.9	94.9	74.9	138.6	
	Sept.				54.6	117.7	68.5	194.0	
	Oct.								
	Nov.								
	Dec.								

Seasonal Adjustments, Ontario Department of Economics and Development.

- (1) The annual totals are for all areas; they are 35 to 40% higher than the figures for urban centres of 5,000 and over which are the only data available monthly.





## ECONOMIC INDICATORS - SEASONALLY ADJUSTED

## II. Coincidental and Lagging Indicators.

Gross National Product		Industrial Production:				Canada	
Product		Total	Manufacturing			Mining	Electric Power & Gas Utilities
\$ Million			Total	Non-Durable	Durable		
Annual Rate		-----1949=100-----					
<u>1960</u>							
January		172.1	155.1	154.9	155.4	256.5	287.5
February	35,988	170.2	152.4	152.8	151.9	260.6	288.9
March		171.8	153.2	154.1	152.2	263.2	299.6
April		166.6	148.9	149.6	148.1	251.5	293.0
May	35,620	167.2	149.0	151.1	146.5	256.4	296.0
June		166.6	148.6	151.7	145.0	249.0	302.1
July		164.3	146.1	150.6	140.9	249.7	297.8
August	35,720	165.6	146.7	150.4	142.3	249.1	314.6
September		167.2	148.2	150.8	145.1	255.2	314.4
October		166.7	149.2	152.4	145.5	245.6	301.4
November	36,384	166.1	147.9	152.6	142.5	252.2	298.9
December		166.3	148.1	151.8	143.8	248.7	305.6
Year	35,928	167.4	149.3	151.8	146.9	253.3	298.0
<u>1961</u>							
January		165.6	146.7	152.7	139.8	253.8	305.8
February	35,560	166.7	147.9	153.4	141.5	255.3	303.9
March		166.0	148.5	153.7	142.5	243.6	302.5
April		169.2	149.8	155.4	143.1	260.2	312.2
May	36,488	169.4	149.1	154.1	143.2	262.8	325.5
June		173.3	153.4	158.2	147.9	264.9	323.5
July		173.4	154.0	158.8	148.4	260.1	325.0
August	37,396	176.4	155.5	157.8	152.8	273.9	331.0
September		178.1	156.8	159.1	154.2	281.6	332.9
October		177.9	156.8	159.3	153.9	278.4	330.4
November	37,932	180.1	158.9	160.8	156.7	287.1	321.8
December		180.5	160.8	163.5	157.6	273.3	325.5
Year	36,844	172.9	153.0	157.0	148.4	266.9	317.7
<u>1962</u>							
January		179.8	158.5	162.4	153.9	279.3	336.0
February	38,616	182.5	161.4	164.1	158.4	281.7	335.9
March		184.3	163.0	166.0	159.6	287.4	335.2
April		184.1	162.8	164.7	160.7	287.3	333.9
May	39,424	186.0	164.5	165.5	163.2	288.1	341.7
June		186.6	166.6	167.6	165.4	279.3	337.6
July		186.8	166.7	166.6	166.9	278.6	340.5
August							
September							
October							
November							
December							





## ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

## II. Coincidental and Lagging Indicators.

		Cheques Cashed in Clearing Centres*		Retail Trade*		Labour Income**	
		Ontario(1)	Canada(2)	Ontario	Canada	Ontario	Canada
		\$ Million		\$ Million		\$ Million	
1959		27,842	97,586	6,220	16,283	7,352.0	17,463.0
1960		28,457	102,954	6,314	16,502	7,571.0	18,119.0
1961		30,422	114,577	6,337	16,664	7,911.0	18,884.0
1960	Jan.	2,380	8,346	530	1,376	627.5	1,498.3
	Feb.	2,444	8,575	520	1,361	626.6	1,499.1
	March	2,292	8,266	521	1,351	627.4	1,501.1
	April	2,294	8,436	528	1,367	629.3	1,504.8
	May	2,316	8,401	524	1,373	627.4	1,500.3
	June	2,340	8,551	524	1,370	628.6	1,506.1
	July	2,320	8,596	521	1,357	627.6	1,509.2
	Aug.	2,312	8,616	517	1,363	632.1	1,515.4
	Sept.	2,388	8,752	523	1,376	633.8	1,518.3
	Oct.	2,476	9,021	530	1,400	635.3	1,519.9
	Nov.	2,388	8,284	530	1,395	637.6	1,523.8
	Dec.	2,503	9,073	535	1,397	638.0	1,522.8
1961	Jan.	2,532	9,231	536	1,408	638.8	1,527.3
	Feb.	2,272	8,436	516	1,365	643.0	1,534.8
	March	2,338	9,307	511	1,353	645.8	1,540.9
	April	2,562	9,381	513	1,346	648.1	1,548.1
	May	2,516	9,371	517	1,360	653.3	1,558.3
	June	2,551	9,397	532	1,388	659.6	1,578.2
	July	2,705	9,568	535	1,383	664.6	1,584.0
	Aug.	2,544	9,715	589	1,430	667.8	1,588.2
	Sept.	2,614	10,281	480	1,336	666.3	1,592.7
	Oct.	2,557	9,575	518	1,391	670.7	1,601.7
	Nov.	2,543	9,724	542	1,440	671.6	1,607.8
	Dec.	2,682	10,559	539	1,436	681.1	1,622.4
1962	Jan.	2,705	10,338	542	1,442	683.1	1,630.7
	Feb.	2,736	10,439	531	1,419	687.2	1,639.7
	March	2,774	10,058	546	1,435	694.3	1,654.4
	April	2,770	10,253	544	1,456	699.3	1,661.1
	May	2,824	10,141	544	1,442	705.5	1,671.6
	June	2,832	10,136	533	1,422	705.1	1,671.1
	July	3,010	10,615	537	1,455	708.2	1,678.3
	Aug.			536	1,443		
	Sept.						
	Oct.						
	Nov.						
	Dec.						

\* Seasonal Adjustments, Ontario Department of Economics and Development.

\*\* Seasonal Adjustments, Dominion Bureau of Statistics.

(1) Excluding Toronto.

(2) Excluding Toronto and Montreal.





## ECONOMIC INDICATORS ( CONTINUED) - SEASONALLY ADJUSTED

## II Coincidental and Lagging Indicators

		Labour Force	Employed	Unemployed No. % of L.F.		Labour Force	Employed	Unemployed No.% of L.F.	
		'000	'000	'000		'000	'000	'000	
-----Ontario-----					-----Canada-----				
1959		2,290	2,187	103	4.5	6,228	5,856	373	6.0
1960		2,367	2,239	128	5.4	6,403	5,955	448	7.0
1961		2,392	2,262	131	5.5	6,519	6,047	472	7.2
1960	Jan.	2,348	2,241	107	4.6	6,323	5,929	394	6.2
	Feb.	2,351	2,245	106	4.5	6,358	5,915	443	7.0
	Mar.	2,362	2,246	116	4.9	6,368	5,927	441	6.9
	Apr.	2,364	2,240	124	5.2	6,354	5,896	458	7.2
	May	2,386	2,256	130	5.4	6,404	5,948	456	7.1
	June	2,352	2,227	125	5.3	6,371	5,960	411	6.5
	July	2,338	2,208	130	5.6	6,388	5,952	436	6.8
	Aug.	2,365	2,225	140	5.9	6,424	5,972	452	7.0
	Sept.	2,371	2,242	129	5.4	6,423	5,980	443	6.9
	Oct.	2,390	2,252	138	5.8	6,473	5,993	480	7.4
	Nov.	2,389	2,255	134	5.6	6,477	5,993	484	7.5
	Dec.	2,387	2,238	149	6.2	6,482	5,980	502	7.7
1961	Jan.	2,403	2,237	166	6.9	6,520	5,978	542	8.3
	Feb.	2,392	2,232	160	6.7	6,506	5,941	565	8.7
	Mar.	2,384	2,229	155	6.5	6,489	5,952	537	8.3
	Apr.	2,393	2,245	148	6.2	6,538	6,010	528	8.1
	May	2,398	2,259	139	5.8	6,555	6,061	494	7.5
	June	2,391	2,255	136	5.7	6,507	6,044	463	7.1
	July	2,392	2,255	137	5.7	6,534	6,073	464	7.1
	Aug.	2,395	2,280	115	4.8	6,502	6,077	425	6.5
	Sept.	2,384	2,290	94	3.9	6,491	6,065	426	6.5
	Oct.	2,384	2,271	113	4.7	6,512	6,080	432	6.6
	Nov.	2,398	2,292	106	4.4	6,524	6,118	406	6.2
	Dec.	2,398	2,294	104	4.3	6,547	6,162	385	5.9
1962	Jan.	2,391	2,279	112	4.7	6,533	6,147	386	5.9
	Feb.	2,392	2,275	117	4.9	6,567	6,147	420	6.4
	Mar.	2,391	2,277	114	4.8	6,592	6,211	381	5.8
	Apr.	2,394	2,294	100	4.2	6,591	6,206	385	5.8
	May	2,401	2,306	95	4.0	6,603	6,229	374	5.7
	June	2,459	2,338	121	4.9	6,665	6,263	402	6.0
	July	2,426	2,306	120	4.9	6,664	6,244	420	6.3
	Aug.	2,432	2,320	112	4.6	6,656	6,269	387	5.8
	Sept.	2,405	2,319	86	3.6	6,592	6,211	381	5.8
	Oct.								
	Nov.								
	Dec.								

Seasonal Adjustments, Ontario Department of Economics and Development.





## ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

## II Coincidental and Lagging Indicators

	Industrial Employment		Average Hourly Earnings in Manufacturing	
	Ontario	Canada	Ontario	Canada
	1949=100		\$	\$
1959	121.3	119.7	1.82	1.72
1960	119.2	118.7	1.87	1.78
1961	118.8	118.0	1.93	1.83
1960 Jan.	121.2	120.1	1.86	1.76
Feb.	121.0	120.0	1.86	1.76
Mar.	120.3	119.7	1.86	1.77
Apr.	119.6	118.8	1.87	1.78
May	119.4	118.9	1.87	1.78
June	119.2	119.3	1.87	1.78
July	117.9	118.2	1.87	1.78
Aug.	119.0	118.7	1.88	1.79
Sept.	118.7	118.4	1.88	1.79
Oct.	118.1	118.0	1.89	1.79
Nov.	118.6	117.8	1.89	1.80
Dec.	117.7	116.9	1.90	1.80
1961 Jan.	117.2	116.5	1.90	1.80
Feb.	117.0	116.2	1.90	1.81
Mar.	117.0	116.5	1.92	1.82
Apr.	117.1	116.6	1.92	1.83
May	117.8	117.2	1.93	1.83
June	118.1	117.7	1.93	1.82
July	118.8	118.8	1.92	1.83
Aug.	120.3	119.5	1.95	1.85
Sept.	119.2	118.6	1.92	1.83
Oct.	119.9	119.3	1.95	1.85
Nov.	120.8	119.7	1.95	1.85
Dec.	121.2	120.0	1.95	1.86
1962 Jan.	121.2	120.3	1.94	1.85
Feb.	120.9	120.1	1.95	1.85
Mar.	121.4	120.6	1.96	1.86
Apr.	122.0	120.8	1.96	1.88
May	122.9	121.3	1.98	1.88
June	122.9	121.2	1.97	1.87
July	123.3	121.9	1.99	1.89
Aug.				
Sept.				
Oct.				
Nov.				
Dec.				





## ECONOMIC INDICATORS (CONTINUED) - SEASONALLY ADJUSTED

## II Coincidental and Lagging Indicators

		<u>Power Consumption</u>		<u>New Dwelling Unit Completions</u>	
		<u>Ontario</u>	<u>Canada</u>	<u>Ontario</u>	<u>Canada</u>
		(MKWH)		(Number)	
1959		35,387	99,782	54,281 <sup>(1)</sup>	145,571 <sup>(1)</sup>
1960		36,983	108,912	46,982	123,757
1961		38,223	110,433	43,754	115,608
1960	Jan.	3,046	8,903	3,008	9,044
	Feb.	3,132	9,156	4,046	10,688
	Mar.	3,144	9,192	3,329	8,170
	Apr.	3,047	8,978	3,693	9,131
	May	3,077	8,849	3,081	8,147
	June	3,078	9,071	2,676	6,896
	July	3,025	8,998	2,809	7,285
	Aug.	3,105	9,225	2,582	7,118
	Sept.	3,102	9,298	2,945	7,449
	Oct.	3,050	8,999	1,828	5,736
	Nov.	3,074	9,058	3,143	6,873
	Dec.	3,106	9,146	2,657	6,476
1961	Jan.	3,129	9,175	3,358	7,280
	Feb.	3,019	8,927	3,580	8,037
	Mar.	3,076	9,129	2,411	5,902
	Apr.	3,013	9,069	1,810	6,356
	May	3,188	9,306	1,783	6,189
	June	3,197	9,047	2,959	7,339
	July	3,168	8,881	3,015	6,921
	Aug.	3,237	9,116	3,038	7,874
	Sept.	3,273	9,224	2,575	7,917
	Oct.	3,253	9,347	2,742	6,888
	Nov.	3,301	9,485	2,169	6,137
	Dec.	3,280	9,556	2,485	6,413
1962	Jan.	3,378	9,751	3,995	8,319
	Feb.	3,297	9,544	3,763	8,791
	Mar.	3,312	9,587	3,643	8,402
	Apr.	3,294	9,445	2,142	7,520
	May	3,356	9,746	2,775	7,117
	June	3,294	9,639	2,793	6,685
	July	3,286	9,502	4,402	8,903
	Aug.	3,356	9,690	2,455	6,940
	Sept.				
	Oct.				
	Nov.				
	Dec.				

Seasonal Adjustments, Ontario Department of Economics and Development.

- (1) The Annual totals are for all areas; they are 35 to 40 per cent higher than the figures for urban centres of 5,000 and over which are the only data available monthly.





ECONOMIC INDICATORS - CONTINUED  
NOT SEASONALLY ADJUSTED

		Dividend Payments	Prices	Domestic	Imports	Foreign
		Index, Annual Rate	Industrial	Exports	For Consumption	Exchange
		(1956=100)	Materials			Reserves
			(1935-39=100)	(\$ Millions)	(\$ Millions)	\$M - U.S.
						Funds
1959		100.4	240.2	418.5	459.1	1,869
1960		106.8	240.4	438.7	456.9	1,829
1961		112.1	243.2	479.6	480.9	2,056
1960	Jan.	105.0	243.2	410.0	398.5	
	Feb.	105.5	241.8	419.8	451.9	
	March	105.5	240.4	428.2	472.8	1,856
	April	105.6	241.7	357.6	476.4	
	May	105.9	243.2	473.8	515.3	
	June	106.2	242.2	446.3	485.8	1,774
	July	106.7	240.5	453.8	423.0	
	Aug.	106.8	240.8	468.9	444.1	
	Sept.	107.0	241.0	432.7	427.1	1,813
	Oct.	107.1	238.5	472.1	446.7	
	Nov.	110.3	236.0	461.1	512.3	
	Dec.	110.5	235.2	430.9	428.8	1,829
1961	Jan.	111.0	235.4	445.5	429.5	
	Feb.	111.2	238.1	358.1	393.6	
	March	111.2	240.2	429.2	458.4	1,935
	April	111.3	241.7	437.1	437.4	
	May	111.4	244.0	448.8	548.7	
	June	111.9	239.7	495.8	495.4	1,965
	July	111.9	247.7	518.0	459.3	
	Aug.	111.9	247.1	510.8	490.3	
	Sept.	112.2	247.8	519.8	463.2	1,924
	Oct.	112.4	246.6	546.3	553.9	
	Nov.	113.5	244.6	527.2	568.3	
	Dec.	114.7	245.7	518.7	473.6	2,056
1962	Jan.	114.7	245.2	488.1	492.3	
	Feb.	114.6	246.2	408.9	447.8	
	March	115.0	247.1	455.6	530.2	1,709
	April	115.2	247.6	448.8	497.8	
	May	115.2	251.8	597.7	650.2	
	June	115.0	251.3	530.1		1,809
	July	115.7	251.2	561.5		
	Aug.	116.2	249.5			
	Sept.	116.2				
	Oct.					
	Nov.					
	Dec.					





Industrial Production

Canada's industrial output marked time in July at the June level and then increased by almost one per cent in August, allowing for seasonal variations. Manufacturing production, which has been the main cause of this year's uptrend, was unchanged in July and turned down a little in August due to a drop in non-durable output. The August rise in industrial production was the result of increases in the output of mining, electric power and gas utilities which had shown no overall change during the first seven months of the year.

Industrial output rose by around five per cent between January and August with most of the rise taking place the first five months. There was only a negligible advance between May and July.

Manufacturing

There was continuing strength in the output of durable manufactures in July and August. This was sufficient in July to counteract the decline in non-manufacturing output, but not sufficient in August, when total manufacturing production fell as a result by one half per cent.

The overall rise in durable output since January was nine per cent. The highlights of this rise have been iron and steel products, up 15 per cent, and transportation equipment, up  $12\frac{1}{2}$  per cent; there have been rises in all other main groups except non-ferrous metal products. Most groups increased which dropped and then recovered, and transportation equipment and wood products which fell slightly in August. There was little change in output of non-metallic mineral products.

July and August changes in non-durable output were mostly minor except for a five per cent gain in textile output, lost the following month, and a decline in food and beverage output to more normal levels.

Shipments of manufactures in August declined in value to the lowest level this year, just below that of January, according to the preliminary seasonally adjusted figures. While this represents a fall of five per cent from the July figure it should not be emphasized unduly; shipment figures can vary widely from month to month and the preliminary estimates are often subject to considerable revisions. Also motor vehicle output weakened in August but bounced back again in September.





Motor vehicle output in September was over 40 per cent above the same month in 1961, showing that the August dip was only temporary. Output in the first nine months of the year was over 30 per cent above the same period of 1961.

Steel ingot output in September was the second highest on record although it was slightly down from August's all time high. The September output was 10 per cent above September 1961 and the total for nine months was nearly 11 per cent higher. Thus motor vehicle and steel output, which have been the strongest elements in the economic upturn show no signs of slackening.

The value of new orders for manufactures decline in July and August to the January level after showing a generally rising trend in the first half of the year, allowing for seasonal variations. However, the drop in shipments in August was larger than the drop in new orders so that unfilled orders actually rose, to the highest level this year.

Inventories have been rising throughout this year on a seasonally adjusted basis but the ratio of inventory owned to the value of shipments has stayed at normal levels.

#### Mining

Mining output dropped slightly in July, seasonally adjusted, as a result of reduced production of most of the major metals particularly iron ore, zinc, copper and uranium. Output of non-metals increased and higher production of natural gas and crude petroleum boosted fuel mining output.

Total mining output did not make any overall progress between January and July and therefore provided no stimulus to total industrial production. In August, however, the picture changed entirely. Total mining output rose by more than six per cent to the highest level so far this year. The main cause of this rise was a jump of over 11 per cent in the output of crude petroleum. There were also strong advances in the gold, copper, iron ore, nickel and zinc industries and in asbestos output.



### Construction

Activity in the construction sector continued at a good level in September mainly through the strength in institutional and business construction contracts and a fairly steady residential construction sector.

September held some pleasant surprises in new construction contracts awarded. Residential contracts awarded in this month scored an all-time high for the month. This display of strength in the residential construction sector was hardly expected in the face of the significant decline in N.H.A. loan approvals.

The downtrend in non-residential contracts awarded, noted in last month's issue of this publication, was interrupted once again in September, when the seasonally adjusted non-residential contracts amounted to \$194 million, about \$16 million above the year's average. All sectors contributed to this strong showing.

August starts of new housing units in urban centres were slightly below those a year earlier, but for the nine-month period starts were still ahead of last year. The continued strength in residential contracts would indicate a strong possibility that the number of starts this year will at least equal those of last year, and may run in excess of 125,000 units. Completions in August fell below last year and below July, in which month a sudden large jump had taken place. The number of units under construction by the end of August had risen to 60,168 units, the largest number since 1959.

### Wholesale Prices

Wholesale prices declined 0.3 per cent from August to 242.5 in September but they were still 2.8 percent higher than in September last year. This month brought the first significant decline of the past 18 months. Prices at wholesale levels rose 5.0 per cent between April 1961 and August 1962. as a result of the upswing in business activity, as well as the impact of Canada's dollar devaluation.

Between August and September, wholesale prices of three major groups, declined - vegetable products, animal products and textile products; slight increases were recorded in other wholesale prices. In the same period





of time the price index of Canadian Farm Products at terminal markets declined 2.3 per cent from August 1962, but they were still 6.1 per cent higher than at the same time last year. Field products declined 3.1 per cent and animal products 1.8 per cent. During September there was a noticeable downward trend of prices for field products, whereas prices for animal products after a period of declining prices during the first part of the month were rising again in the second part.

The price index of 30 industrial materials also moved down slightly during the month but was 0.3 per cent above last year's level.

#### Labour Force, Employment and Earnings

The Canadian labour force dropped much more sharply than usual in September as the very large number of students in the work force this year returned to school. While there are still about 100,000 more persons in the active work force this year than there were in September 1961, the rise over the year is well below the average increment of 130,000 per year from 1951 to 1961. Employment also dropped by more than the usual seasonal amount in September so that there was virtually no change in the unemployment level which continued at 5.8 per cent of the work force on a seasonally adjusted basis. The rate of unemployment in Canada has been fluctuating between 5.7 and 6.4 per cent of the work force throughout 1962 but this is a substantial improvement from the 7.2 per cent 1961 average.

The decline during September was chiefly in outdoor industries such as agriculture, construction and transportation but there was also some decline in trade and in manufacturing. Almost all industries were employing slightly larger numbers of people this year than last but the service industries continue to provide the largest share of new employment opportunities.

Labour income in 1962 has been rising much more rapidly than has employment. This is partially because the automobile, iron and steel and other high wage industries have been operating at near full capacity and partially because of the continuing gradual rise in wage rates.





### Retail Sales

Retail sales, seasonally adjusted, rose again in July, after a slight dip in June, and were estimated at \$1,455 million - or 2.3 per cent above previous month's level of \$1,422 million and 5.2 per cent ahead of last year's performance.

Sales for the first seven months this year were 5.0 per cent better than for the same period a year ago and after account is taken of price changes, or 3.4 per cent higher.

Motor vehicle sales formed the backbone of the retail trade expansion in Canada, and their sales during the first seven months of this year were 13.0 per cent ahead of a comparable period last year.

All provinces shared in the current expansion of retail business in 1962. However, the rate of growth was not uniform throughout Canada. The greatest expansion took place in British Columbia (8.1%), followed by Quebec (7.8%), Alberta (4.5%), Manitoba (3.8%), the Atlantic Provinces (3.4%), Saskatchewan (3.3%) and Ontario (3.2%).

In the near future we may expect further improvements in the value of retail sales, although at a slower rate. Retail sales, seasonally adjusted, advanced 8.0 per cent during the current business expansion, i.e. from \$1,346 million in April 1961 to \$1,455 million in July 1962. However, the rate of increase is slowing down since May 1962, both in terms of constant prices and seasonally adjusted values. The over-all value of retail sales this year may be 5.0 per cent higher than in 1961.

### Consumer Prices

The consumer price index declined 0.3 per cent from 131.4 to 131.0 between August and September 1962 but was still 1.5 per cent above the index of 129.1 a year ago. The decline during the month was almost entirely the result of a sharp seasonal decline in a wide range of fresh fruits and vegetables. Other changes include a slight decline in transportation and recreation and reading indexes. The health, personal care, tobacco and alcohol prices were unchanged while housing and clothing costs were higher.

The clothing index increased 0.5 per cent reflecting higher prices for a number of items of men's women's and children's wear, as well as increased charges for clothing services, e.g. laundry, dry cleaning and shoe repairs.



### Consumer Credit

Estimated balances outstanding to consumers on the books of various financial establishments, department stores, chartered banks, etc. rose by 1.8 per cent in July to reach \$3,666 million at the end of the month. This represents an increase of 13.6 per cent over the estimated balances outstanding a year ago.

A year-to-year comparison shows that chartered bank loans expanded by 31.7 per cent followed by small loan companies (12.0 per cent) and department stores (8.5 per cent). There was a slight increase in credit accomodation supplied by furniture and appliance stores, while sales finance companies reduced their financing by 3.3 per cent. This pattern is similar to that reported last month. Chartered banks and small loan companies have been obtaining an increased share of consumer finance at the expense of the sales finance companies and department stores.

The foregoing description does not include credit extended by Quebec saving banks, credit unions and various credit card schemes (mainly oil companies) who report their outstanding balances annually only. It can be safely assumed that the latter increased their business by at least 12 per cent during the year. Consequently - total consumer credit estimated at the present time probably amounts to \$4,750 million.

### Foreign Trade

Preliminary figures on imports and exports during the first seven months of the year indicate a significant increase in both compared with last year. The 15 per cent rise in the value of imports and the 11 per cent rise in the value of exports partly reflect the lower exchange value of the Canadian dollar. As this factor is more important in the case of imports than in the case of exports, the volume increases will be closer than indicated by the above percentages. However, the net result was a very significant increase in the trade deficit compared with a year ago.

Although our exports to the United States rose at a faster rate than imports from that country, the trade gap widened because of the size of the excess of imports last year. The export balance with the United Kingdom showed a fair increase during the period.





Notable increases in exports were recorded in iron ore (more than 100 per cent), aluminum, petroleum, gas, lumber, wood pulp, non-farm machinery and aircraft and parts. Declines were registered in exports of uranium, newsprint and plastics.

Important increases in imports took place in electrical apparatus, automobiles and parts, non-farm machinery, business machinery, grains and products and rubber. Declines were recorded in farm machinery and meats.

## PART II      NOTES ON ECONOMIC CONDITIONS IN ONTARIO

### Manufacturing

The value of manufacturing shipments in August was 2.3 per cent higher than in August 1961, which not does not compare well with the overall results for the first eight months when shipments were  $10\frac{1}{2}$  per cent above the same period in 1961. Ontario's experience in August was paralleled by that of the rest of Canada which also showed a 2.3 per cent rise. The weakness in motor vehicle output probably caused part of the August slackening and this element improved in September.

### Construction

The construction picture for September in Ontario is rather different from that of the country as a whole. While the seasonally adjusted contracts awarded during the month were ahead of the previous month, it was the residential construction sector which stood out singularly in strength at a seasonally adjusted total for the month of \$54.6 million. This is the second highest figure for September on record.

The non-residential contracts awarded were disappointingly low in contrast with those for Canada as a whole. The main causes for this were a somewhat lower level of business contracts than we had earlier this year and a very poor engineering sector. The industrial contracts brightened the picture somewhat, but this sector has little effect on the total.

Starts of new dwelling units in urban centres in August fell considerably below those a year ago and, seasonally adjusted, were up only





slightly over July of this year. Completions dropped drastically in August after the great jump in July. The number of units under construction at the end of August had risen to 26,278 units, the largest number since 1958.

#### Labour Force, Employment and Earnings

The Ontario labour force exhibited the same exceptionally large drop between August and September that was noted for all Canada. Employment dropped at about the usual seasonal rate during the month, so that unemployment, seasonally adjusted, was sharply reduced to the lowest level since the autumn of 1959. Seasonally adjusted unemployment totalled 3.6 per cent of the work force as compared with 5.8 per cent in Canada and in U.S.A.

In Ontario as in the rest of Canada the labour force increase has been relatively small this year because young people who would normally be expected to be entering the work force now are continuing their education. In September there were actually slightly fewer persons 14 to 24 in the work force than there had been in May. This, in spite of the fact that the young people born during the high birth rate years starting in the late forties are now 15 or 16, the younger working ages.

The automobile industry, some sectors of the steel industry and other high wage industries, which are concentrated in Ontario, have been prospering this year. Hence, labour income has risen more rapidly in Ontario than it has in the rest of Canada - 3.7 per cent from January to September as compared with less than 3 per cent for all Canada.

#### Retail Sales

Retail sales, seasonally adjusted, show a 0.8 per cent improvement in July as compared with June.

For the first seven months this year sales were 3.2 per cent better than a year earlier. Most types of business establishments shared in this expansion, but by far the greatest increase was enjoyed by the motor vehicle dealers whose sales increased by 11.2 per cent. Four branches of business suffered small declines-furniture, appliance and radio, drug and jewellery stores.

July sale this year were less favourable than in 1961. Nearly all retail outlets recorded their sales below last year's level, with the following exceptions, viz.; lumber and building materials; food and beverages;



and restaurants which increased their business by about three per cent. Generally, total retail sales in the Province were 1.8 per cent below last year's level, although on a seasonally adjusted basis they show a slight improvement of 0.4 per cent. It should be borne in mind, however, that this year's sales are not strictly comparable to last year's, since the trend was distorted by heavy sales in anticipation of the three per cent sales tax.

### PART III NOTES ON ECONOMIC CONDITIONS IN THE UNITED STATES

The American economy experienced little or no change in September. Despite the usual upswing in fall business activity, most of the major economic indicators remained much the same as in the previous month. Even during the Cuban crisis business failed to exhibit more than a slight flutter and the stock market, the most sensitive of all business indicators, weakened a little, then rose back to normal. At best, the widespread fears of a downturn this year have disappeared and talks of tax incentives have been forgotten.

Most economists are agreed nevertheless, that the economy is experiencing another slight pause, the fourth in the past 20 months. This pause, however, can hardly be classified as a significant downturn.

Perhaps the most serious factor has been a lack of positive growth in the economy which was anticipated earlier this year, and it is reflected in a rising level of unemployment. Although there were definite gains in employment, they were not enough to offset an increase in the labour force. Business activity has not expanded enough to cope with a large number of new persons entering the labour market. On a seasonally adjusted basis, unemployment in September remained at 5.8 per cent of the civilian labour force, for the second month in a row, compared with 5.3 per cent in July. The previous high was 6.8 per cent a year earlier.

Clouding the economic picture further, are the very erratic movements of leading indicators. During the spring months, most of them pointed downwards. Then in a seesaw fashion, the majority pointed up in July, down in August and up again in September.





Reflecting the economy, the index of industrial production (1957=100) was 118.8 in September compared with 118.7 in August. The annual rate of total personal income was \$442.8 billion (seasonally adjusted), the same in September as August. Indicating this plateau of activity, corporate profits for the second quarter were just about the same as in the previous quarter. The annual rate was \$50.7 billion in the second quarter compared with \$50.4 billion in the first quarter (seasonally adjusted). An important indicator of future activity, new orders for machine tools, is not encouraging. They dropped slightly in September following a steep drop from July to August and destroyed hopes for a rapid rebound.

On the bright side the two major industries, steel and automobile production, are showing renewed activity. After remaining in the doldrums most of the summer, steel production has picked up. Most observers feel that the fourth quarter's production rate will be 12 to 15 per cent above the third quarter's rate, especially if automobile producers have a good year. Already this is indicated. Sales of the new cars are brisk and producers have planned a record 715,000 cars for October.

The gold outflow, although diminished considerably, is still large and if more capital and aid is pumped into Latin America in an effort to consolidate North and South American ties, the strain on gold reserves may continue.





PART IV

NOTES ON FINANCIAL CONDITIONS

Introduction

For the second consecutive month, the decline in the total supply of money in Canada was less than that which occurred in the previous month. This is regarded in many quarters as signalling a relaxation of the austerity measures introduced on June 24. As at September 26, the money supply totalled \$14,949 million, a decline of \$56 million during the month; from August 1 to August 29, the decline totalled \$183 million. Chartered banks general loans increased by \$9 million during September, to a level of \$6,718 million on September 26. Short-term funds were in reasonably adequate supply during most of the month.

The trend towards higher prices and lower yields in all sections of the Canadian bond markets continued almost without interruption throughout September. The number of new issues successfully placed during the month is a further reflection of the renewed confidence on the bond markets.

During the month, prices of Canadian industrial stocks generally were adjusted downwards, continuing the trend which commenced mid-August. Oil and pipeline shares, however, were the exception, experiencing fractional advances during September.

The stability of the Canadian dollar during September was reflected in the continued inflow of foreign funds. Over the month, government holdings of gold and foreign exchange currencies rose by \$114 million to reach a level of \$2,444.6 million as at September 30.

Canadian Money Market - September

The supply of short-term funds was somewhat limited during the month, but was adequate to meet demand at existing interest levels. The day-to-day loan rate opened the month at a level of  $4\frac{3}{4}\%$ , rapidly advanced to 5% and subsequently increased to close the month at  $5\frac{1}{8}\%$ . Day-loan rate changes are illustrated in Appendix B-1. Yields available on Government of Canada Treasury Bills showed little change during the month: average tender yield on Canada Treasury Bills in September ranged from 4.98% to 5.07% on the 91-day Bills, and 5.18%



to 5.27% on the 182-day Bills. The weekly average yields and distribution of outstanding Canada Treasury Bills during September are shown in Appendix B-1. On September 6, and at each weekly auction thereafter, tenders were received for \$105 million 91-day Bills and \$30 million 182-day Bills, an increase of \$10 million and \$5 million respectively, over previous tenders.

Prime finance and prime commercial paper rates remained unchanged during the month.

Price increases ranging to one full point were registered, as the level of trading activity in short term bonds increased during the month.

#### Canadian Bond Markets - September

Trading activity in all maturities increased and Government of Canada bond prices showed a further gradual strengthening during the month of September. Short and medium-term issues advanced \$0.25 to \$1.00, while long-term bonds registered gains of \$0.25 to \$0.75 in price. Price and corresponding yield changes in respect of selected Canada issues are shown in Appendix B-2. Considerable new Government of Canada financing occurred in September.

On September 7, Finance Minister Nowlan announced details of a new \$150 million borrowing comprised as follows:

##### \$150 million Government of Canada Bonds

- 2 year 6 month  $4\frac{1}{4}\%$  non-callable  
bonds due April 1, 1965, priced  
at \$97.00 to yield 5.55% (Sales:  
\$50 million).
- 6 year 6 month  $5\frac{1}{2}\%$  non-callable  
bonds due April 1, 1969, priced  
at \$99.50 to yield 5.59% (Sales:  
\$100 million).

Part of the proceeds was used to refund \$67.5 million of  $5\frac{1}{2}\%$  bonds maturing October 1, 1962. Both maturities were well received and soon traded above issue prices.





On September 13, Finance Minister Nowlan announced that the Government had sold \$250,000,000 of Canada bonds in the United States in order to supplement foreign exchange reserves. The issue was privately placed with 5 U.S. life insurance companies for 25 years, at an interest rate of 5%. It is reported that the proceeds of this sale will be received during the period October 15, 1962 and March 31, 1963. This marks the first time since 1950 that the Federal Government has sold a bond issue in the U.S.

The new 1962 series, Canada Savings bonds went on sale during September. The yield to maturity, 5.11% is the highest ever offered on a Canadian Savings Bond issue. The previous high occurred in 1959 - 4.98%; yields on Canada Savings Bonds subsequently declined to 4.71% in 1960, and 4.60% in 1961. The 1962 series will carry an interest rate of  $4\frac{1}{2}\%$  during the first 3 years, 5% during the second 3 years and  $5\frac{1}{2}\%$  in the final 8 years. The bonds will be issued in denominations ranging from \$50 to \$1,000, with a maximum permissible holding of \$10,000 per person.

Outstanding issues in the Provincial bond market posted good price increases during September. Over the month, gains ranged from \$0.25 on short-term issues to \$1.00 on long-term bonds. The number and value of new provincial and provincially guaranteed issues coming to the market in September increased; details of the relevant issues are outlined below:

\$60 million Quebec Hydro

\$8 million  $5\frac{1}{2}\%$  bonds due October 1, 1970,

priced at \$98.75 to yield 5.70%

\$52 million  $5\frac{3}{4}\%$  bonds due October 1,

1981/84 priced at \$98.75 to yield 5.85%

\$8 million New Brunswick Electric Power Commission

25-year  $5\frac{1}{4}\%$  sinking fund debenture issue,

privately placed in the U.S.

\$5 million Province of New Brunswick  $5\frac{3}{4}\%$ ,

20-year sinking fund debentures, privately

placed





\$2.5 million University of Manitoba 5<sup>5</sup>/<sub>8</sub>% 25-year sinking fund debentures (non-callable for 15 years), priced to yield 5.65%. This issue is guaranteed by the Province of Manitoba.

Price movements on outstanding issues on the Municipal bond market reflected activity of senior government issues during September. As illustrated in Appendix B-6, yields on municipal bond issues remain relatively low in comparison with similar bonds of the provincial and Federal governments. Details of the significant new municipal issues which were placed on the market during September are given in Appendix B-8.

Trading activity on the corporate bond market continued light; over the month, price increases of \$0.50 to \$1.00 were registered. A list of the more significant new corporate issues which came to the market in September is shown in Appendix B-8.

The monthly figures issued by Wood, Gundy and Company Limited indicate that Canadian public bond financing in the first nine months of 1962 amounted to \$2,251,365,070 as compared with \$2,282,365,371 in the same period last year - a decrease of 1.4 per cent. The breakdown is illustrated in the following table:

Canadian Bond Financing January 1st to September 30th	1961		1962	
	Amount	% of Total	Amount	% of Total
	\$	%	\$	%
Canadian Direct and Guaranteed(1)	775,000,000	34.0	800,000,000	35.5
Provincial Direct and Guaranteed(1)	819,509,331	35.9	596,003,300	26.5
Ontario Municipal	122,116,932	5.3	123,564,960	5.5
Quebec and Maritime Municipal	155,342,750	6.8	138,344,500	6.1
Western Municipal	22,271,358	1.0	36,385,810	1.6
Corporation	388,125,000	17.0	557,066,500	24.8
	<u>2,282,365,371</u>	<u>100.0</u>	<u>2,251,365,070</u>	<u>100.0</u>
Payable in Canadian Funds	2,172,463,371	95.2	1,805,272,150	80.2
Payable in U.S. Funds	109,902,000	4.8	446,092,920	19.8
	<u>2,282,365,371</u>	<u>100.0</u>	<u>2,251,365,070</u>	<u>100.0</u>
Refunding	523,102,000	22.9	535,984,100	23.8
New Money	1,759,263,371	77.1	1,715,380,970	76.2
	<u>2,282,365,371</u>	<u>100.0</u>	<u>2,251,365,070</u>	<u>100.0</u>

(1) Over two years in term.



Canadian Stock Markets - September

Fractional daily price declines on industrial and other blue chip securities on Canadian stock exchanges were the rule, rather than the exception during September. The situation was parallel to movements on the New York stock market.

Western oils and pipeline shares registered good gains early in the month, on increased trading volume. Interest in these equities was maintained on the basis of actual and potential take over offers, but even this speculative interest diminished after mid-September.

The Toronto Stock Exchange Industrial Index closed the month at 530.27, a decrease of 24.27 or 4.4% on Index over the month. T.S.E. Golds and Base Metals declined while Western Oils advanced fractionally on Index during the month. Changes in these and other representative stock indices are indicated in the following table.

COMMON STOCK AVERAGES

	1961-62		Aug. 31, 1962, Sept. 28, 1962		Percentage Change Since Aug. 31, Dec. 29, 1962 1961	
	High	Low	(Closing)	(Closing)	1962	1961
T.S.E. Industrials	629.06	510.23	554.54	530.27	-4.4	-14.3
T.S.E. Golds	104.30	80.09	94.13	91.97	-2.3	+ 0.9
T.S.E. Base Metals	216.90	161.42	185.93	175.72	-5.5	-18.8
T.S.E. Western Oils	131.20	80.82	108.11	109.77	+1.5	- 8.0
M.S.E. Papers (new)	527.5	444.7	479.3	460.1	-4.0	- 8.2
N.Y. Industrials (Dow-Jones)	734.91	535.76	609.18	578.98	-5.0	-20.8
London Industrials (Financial Times)	365.7	252.8	279.5	270.0	-3.4	-11.4

Statistics published by the Toronto Stock Exchange indicate that the value of all shares traded on the T.S.E. in September (\$165.2 million) was 9.0% less than the same period last year. A comparison of value and volume of shares traded on the T.S.E. during the first nine months of 1961 and 1962 follows:





SHARES TRADED ON T.S.E.

<u>Month</u>	<u>1961</u>		<u>1962</u>	
	<u>Value</u>	<u>Volume</u>	<u>Value</u>	<u>Volume</u>
	\$		\$	
January	172,208,251	48,465,731	257,802,090	103,560,702
February	165,984,926	40,102,357	197,335,267	65,135,372
March	210,419,954	51,115,859	180,303,855	76,600,798
April	216,742,576	59,723,084	151,436,824	61,406,537
May	266,407,697	78,461,194	227,089,586	56,773,532
June	200,224,750	46,975,514	171,810,387	45,079,442
July	151,309,896	30,726,483	121,763,830	46,651,998
August	176,315,945	32,255,477	136,986,233	81,352,104
September	<u>181,403,013</u>	<u>58,107,664</u>	<u>165,163,871</u>	<u>97,902,083</u>
	1,741,017,008	445,933,363	1,609,691,943	634,462,568

According to figures released by the Financial Post, dividend payments by Canadian companies for the first ten months of 1962 are 7.0% higher than the like period in 1961. Final figures for the first nine months of 1962, and preliminary payments and declarations for October total \$757.9 million as compared with \$708.2 million at the same time last year. The monthly totals are as follows:

MONTHLY DIVIDENDS AND DECLARATIONS

	<u>1961</u>	<u>1962</u>
	\$	\$
January	75,540,860	80,253,544
February	47,604,411	46,805,360
March	95,035,916	99,545,911
April	64,994,919	70,598,346
May	35,730,442	37,487,497
June	105,879,657	127,271,410
July	74,020,192	74,270,055
August	47,446,397	54,140,088
September	96,357,372	99,279,376
October	<u>65,559,895</u>	<u>68,207,054(1)</u>
	708,170,061	757,858,641





Foreign Exchange Rates - September

Canada's official holdings of gold and foreign exchange increased by a further \$114 million during the month. Total holdings have advanced \$636 million since the beginning of July, bringing the amount to \$2,444.6 million as at September 30, 1962.

The rate of exchange on the American dollar declined  $\frac{1}{8}$  during September, to close the month at  $\$1.07\frac{19}{32}$ . The British pound sterling, in terms of Canadian funds, fluctuated within a narrow range, closing the month at  $\$3.01\frac{11}{16}$ . Fluctuations in selected exchange rates are illustrated in Appendix B-10.



MONEY MARKET STATISTICS  
1962

	<u>August 30</u>	<u>September 6</u>	<u>September 13</u>	<u>September 20</u>	<u>September 27</u>
<u>Money Supply (\$ million)</u>	15,005	14,998	14,942	14,977	14,949
<u>Chartered Banks, General Loans (\$ million)</u>	6,709	6,752	6,755	6,738	6,718
<u>Day-to-Day Loan Rate (%)</u>	4 <sup>3</sup> / <sub>4</sub>	5	5	5 <sup>1</sup> / <sub>8</sub>	5 <sup>1</sup> / <sub>8</sub>
<u>Average Yield on Treasury Bills (%)</u>					
91-Day	4.95	5.07	4.98	5.06	4.99
182-Day	5.13	5.27	5.18	5.26	5.20
<u>Canada Treasury Bills Outstanding (\$ million)</u>					
91-Day	1,235	1,245	1,255	1,265	1,275
182-Day	650	655	660	665	670
366-Day	85	85	85	85	85
<u>Prime Finance Paper Rates (%)</u>					
30 - 89 Days	5	5	5	5	5
90 - 179 Days	5 <sup>1</sup> / <sub>4</sub>	5 <sup>1</sup> / <sub>4</sub>	5 <sup>1</sup> / <sub>4</sub>	5 <sup>1</sup> / <sub>4</sub>	5 <sup>1</sup> / <sub>4</sub> - <sup>1</sup> / <sub>2</sub>
180 - 269 Days	5 <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>2</sub>
270 - 365 Days	5-3/ <sub>4</sub>	5-3/ <sub>4</sub>	5-3/ <sub>4</sub>	5-3/ <sub>4</sub>	5-3/ <sub>4</sub>
<u>Prime Commercial Paper Rates (%)</u>					
24 hr. Demand	5-5-3/ <sub>8</sub>	5-1/ <sub>8</sub> -3/ <sub>8</sub>	5-1/ <sub>8</sub> -3/ <sub>8</sub>	5-1/ <sub>8</sub> -1/ <sub>4</sub>	5-1/ <sub>8</sub> -1/ <sub>4</sub>
30 day Demand	5 <sup>1</sup> / <sub>4</sub> - <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>4</sub> - <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>4</sub> - <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>4</sub> - <sup>1</sup> / <sub>2</sub>	5 <sup>1</sup> / <sub>4</sub> - <sup>1</sup> / <sub>2</sub>





SELECTED GOVERNMENT OF CANADA BONDS, PRICES AND YIELDS

(As at Mid-Market Close)

				December 29, 1961		August 31, 1962		September 28, 1962		Change Aug. 31, 1962 to Sept. 28, 1962		Change End of 1961 to Sept. 28, 1962			
				<u>Price</u>		<u>Yield</u>		<u>Price</u>		<u>Yield</u>		<u>Price</u>		<u>Yield</u>	
				\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
4%	15	December	1963		100.625	3.62	98.175	5.42	98.675	5.07	+0.50	-0.35	-1.95	+1.45	
$3\frac{3}{4}\%$	1	September	1965		98.875	3.97	95.125	5.37	96.15	5.14	+1.025	-0.23	-2.725	+1.17	
$2\frac{3}{4}\%$	15	June	1967/68		92.125	4.08	88.50	4.94	88.625	4.96	+0.125	+0.02	-3.50	+0.84	
$4\frac{1}{4}\%$	1	September	1972		96.125	4.67	91.25	5.35	91.625	5.31	+0.375	-0.04	-4.50	+0.64	
$3\frac{1}{4}\%$	1	June	1974/76		83.125	4.85	79.50	5.31	79.625	5.33	+0.125	+0.02	-3.50	+0.48	
$3\frac{3}{4}\%$	15	January	1975/78		86.75	4.90	82.75	5.37	83.00	5.34	+0.25	-0.03	-3.75	+0.44	
$3\frac{1}{4}\%$	1	October	1979		80.75	4.84	76.375	5.33	76.75	5.29	+0.375	-0.04	-4.00	+0.45	
$4\frac{1}{2}\%$	1	September	1983		93.625	4.95	88.375	5.40	88.625	5.38	+0.25	-0.02	-4.00	+0.43	





SELECTED ONTARIO AND H.E.P.C. BONDS, PRICES AND YIELDS

(As at Mid-Market Close)

			December 29, 1961		August 31, 1962		September 28, 1962		Change Aug. 31, 1962 to Sept. 28, 1962		Change End of 1961 to Sept. 28, 1962	
			Price		Price		Price		Price		Price	
			\$	%	\$	%	\$	%	\$	%	\$	%
Ontario	3%	1 November 1963/65	96.00	3.98	93.00	5.26	93.50	5.06	+0.50	-0.20	-2.50	+1.08
	5%	15 July 1963/64	101.375	3.85	98.875	5.42	99.125	5.29	+0.25	-0.13	-2.25	+1.44
	3%	15 December 1968/70	89.00	4.43	84.25	5.30	84.50	5.26	+0.25	-0.04	-4.50	+0.83
	6%	15 November 1969	105.75	5.04	101.50	5.67	102.00	5.56	+0.50	-0.09	-3.75	+0.52
	5½%	15 August 1977/79	101.75	5.30	98.50	5.56	99.125	5.55	+0.625	-0.01	-2.625	+0.25
	5½%	1 May 1978/80	101.75	5.31	98.50	5.59	99.00	5.54	+0.50	-0.05	-2.75	+0.23
H.E.P.C.	3%	1 March 1961/63	99.25	3.40	98.75	5.25	98.75	5.25	-	-	-0.50	+1.85
	4%	1 March 1965/66	97.75	4.46	95.00	5.43	95.25	5.37	+0.25	-0.06	-2.50	+0.91
	5-3/4%	1 July 1969	104.50	4.94	101.00	5.40	101.00	5.48	-	+0.08	-3.50	+0.54
	4½%	1 March 1976/78	93.25	5.06	88.50	5.57	89.00	5.53	+0.50	-0.04	-4.25	+0.47
	5-3/4%	1 July 1979	104.00	5.35	100.50	5.61	101.25	5.43	+0.75	-0.18	-2.75	+0.08
	6%	15 February 1978/80	106.25	5.37	102.625	5.68	103.50	5.60	+0.875	-0.08	-2.75	+0.23



WEEKLY YIELDS FROM MAY 2, 1962 TO SEPTEMBER 26, 1962 IN RESPECT OF SELECTED GOVERNMENT OF CANADA,  
PROVINCE OF ONTARIO AND H.E.P.C. BONDS ISSUED SINCE MARCH, 1961

	Canada	Ontario	Ontario	H.E.P.C.	Ontario	Ontario	H.E.P.C.	H.E.P.C.	H.E.P.C.
	4% May 1, 1964	5½% April 15, 1968	5½% April 15, 1979/81	3 4 / 4% Nov. 15, 1971	5½% Nov. 15, 1980/83	3 4 / 4% Mar. 15, 1967	5½% Mar. 15, 1979/82	4½% June 15, 1970	5% June 15, 1979/82
	%	%	%	%	%	%	%	%	%
1962									
May	3.53* 3.56* 3.57* 3.92* 3.97* 3.95* 4.39 4.96 5.30 5.60 5.63 5.63 5.64 5.67 5.67 5.61 5.51 5.35 5.39 5.32 5.36 5.20	4.50* 4.50* 4.53* 4.59* 4.85* 4.90* 5.10* 5.25 5.60 5.60 5.65 5.65 5.65 5.65 5.65 5.65 5.65 5.60 5.60 5.45 5.45 5.45 5.45	5.12* 5.14* 5.14* 5.22* 5.31* 5.34* 5.40* 5.50 5.50 5.63 5.63 5.65 5.67 5.67 5.67 5.63 5.63 5.61 5.55 5.55 5.55	4.69* 4.69* 4.69* 4.75 4.75 4.92 4.92 5.30 5.60 5.60 5.60 5.65 5.65 5.59 5.59 5.59 5.59 5.54 5.52 5.48 5.48 5.48	5.11* 5.12* 5.12* 5.16* 5.27 5.29 5.36 5.41 5.49 5.55 5.63 5.66 5.66 5.66 5.66 5.66 5.62 5.62 5.62 5.60 5.53 5.53 5.53	4.35* 4.35* 4.40* 4.52* 4.63* 4.75 4.81 5.02 5.23 5.48 5.49 5.68 5.68 5.68 5.68 5.62 5.62 5.56 5.50 5.53 5.45 5.45 5.45	5.09* 5.12* 5.12* 5.16* 5.25 5.27 5.35 5.39 5.45 5.54 5.65 5.66 5.66 5.67 5.63 5.63 5.61 5.59 5.57 5.54 5.54 5.54	4.76 4.79 4.94 5.25 5.52 5.52 5.61 5.61 5.61 5.61 5.61 5.61 5.61 5.54 5.54 5.49 5.49 5.49	5.29 5.29 5.38 5.41 5.49 5.52 5.63 5.60 5.63 5.63 5.64 5.59 5.59 5.50 5.50 5.51 5.53 5.53 5.53
June									
July									
August									
Sept.									
Issue Amount	\$100M	\$24M	\$26M	\$7.2M	\$42.8M	\$20.0M	\$40.0M	\$13.5M	\$36.5M
Yield	4.34%	5.25%	5.50%	4.88%	5.32%	4.75%	5.35%	4.69%	5.10%
Date	Mar. '61	Apr. '61	Apr. '61	Nov. '61	Nov. '61	Mar. '62	Mar. '62	June '62	June '62

\* Premium over coupon rate.





Mid-Month Yields of Selected Government of Canada, Province of Ontario and H.E.P.C. Low Coupon Issues from January 1961 to Sept. 1962

	H.E.P.C.	Ontario	H.E.P.C.	Canada	Ontario	H.E.P.C.	Canada	Ontario	H.E.P.C.
	3% Mar. 1, 1961/63 %	3% Nov. 1, 1963/65 %	4% Jan. 15, 1964/67 %	2 <sup>3</sup> / <sub>4</sub> % June 15, 1967/68 %	2 <sup>3</sup> / <sub>4</sub> % Nov. 15, 1965/69 %	3% June 15, 1971/73 %	3 <sup>1</sup> / <sub>4</sub> % June 1, 1974/76 %	3% Oct. 15, 1975/77 %	3 <sup>1</sup> / <sub>2</sub> % Oct. 15, 1974/79 %
1961									
January	4.62	4.88	5.12	4.59	4.82	5.20	5.23	5.05	5.24
February	4.31	4.66	4.98	4.53	4.82	5.06	5.07	4.90	5.18
March	4.05	4.56	4.89	4.58	4.74	4.79	5.05	4.81	5.09
April	4.24	4.70	4.95	4.58	4.74	4.87	5.11	4.94	5.19
May	4.24	4.70	4.97	4.61	4.74	4.93	5.12	5.00	5.20
June	4.10	4.58	4.82	4.60	4.64	4.92	4.94	4.83	5.11
July	3.80	4.27	4.79	4.33	4.41	4.70	4.82	4.66	4.97
August	3.80	4.27	4.80	4.33	4.41	4.70	4.95	4.84	5.02
September	3.80	4.27	4.81	4.33	4.53	4.75	4.90	4.82	5.00
October	3.55	4.23	4.76	4.25	4.53	4.80	4.93	4.82	5.05
November	3.19	3.95	4.54	4.03	4.38	4.68	4.71	4.71	4.92
December	3.40	3.98	4.54	4.12	4.32	4.60	4.87	4.70	4.88
1962									
January	3.40	3.92	4.54	4.09	4.32	4.58	4.88	4.77	4.94
February	3.69	4.01	4.54	4.04	4.32	4.58	4.86	4.81	4.99
March	3.47	3.50	4.46	4.01	4.30	4.60	4.79	4.97	4.89
April	3.48	3.75	4.38	4.01	4.17	4.42	4.66	4.59	4.82
May	3.55	3.75	4.38	3.92	4.17	4.45	4.67	4.59	4.82
June	4.40	4.51	4.74	4.33	4.70	4.82	4.95	4.92	5.07
July	5.50	5.50	5.36	5.00	5.30	5.40	5.42	5.20	5.38
August	5.53	5.40	5.34	4.86	5.20	5.39	5.31	5.15	5.49
Sept.	5.25	5.06	5.05	4.96	5.14	5.25	5.33	5.11	5.34



Comparison of Spread Between Long-Term Government of Canada Yields and Yields on Comparable Provincial, Municipal, Public Utility and Industrial Bond Issues Annually From 1948 to 1961 and Monthly for 1962

Annual Average	Long(1) Term Canada %	10 Municipal Bonds		10 Provincial Bonds		10 Utility Bonds		10 Industrial Bonds		40 Bond Average	
		Spread %	Yield %	Spread %	Yield %	Spread %	Yield %	Spread %	Yield %	Spread %	Yield %
1948	2.91	0.78	3.69	3.36	0.45	3.72	0.81	3.79	0.88	3.64	0.73
1949	2.86	0.71	3.57	3.16	0.30	3.39	0.53	3.57	0.71	3.42	0.56
1950	2.77	0.69	3.46	3.12	0.35	3.33	0.56	3.50	0.73	3.35	0.58
1951	3.17	0.90	4.07	3.65	0.48	3.82	0.65	3.89	0.72	3.86	0.68
1952	3.54	1.11	4.65	4.14	0.60	4.23	0.69	4.29	0.75	4.33	0.79
1953	3.68	0.98	4.66	4.15	0.47	4.36	0.68	4.49	0.81	4.42	0.74
1954	3.13	0.85	3.98	3.55	0.42	3.94	0.81	4.14	1.01	3.90	0.77
1955	2.99	0.72	3.71	3.38	0.39	3.73	0.74	3.98	0.99	3.71	0.72
1956	3.58	0.99	4.57	4.16	0.58	4.28	0.70	4.53	0.95	4.39	0.81
1957	4.12	1.40	5.52	5.02	0.90	5.21	1.09	5.38	1.26	5.28	1.16
1958	4.02	1.11	5.13	4.70	0.68	4.90	0.88	4.98	0.96	4.93	0.91
1959	5.05	0.84	5.89	5.55	0.50	5.51	0.46	5.54	0.49	5.62	0.57
1960	5.23	0.77	6.00	5.65	0.42	5.68	0.45	5.71	0.47	5.76	0.53
1961	4.93	0.78	5.71	5.49	0.56	5.41	0.48	5.48	0.55	5.52	0.59
Monthly Average											
1962											
January	4.77	0.88	5.65	5.43	0.66	5.25	0.48	5.31	0.54	5.41	0.64
February	4.73	0.81	5.54	5.31	0.58	5.23	0.50	5.28	0.55	5.34	0.61
March	4.67	0.77	5.44	5.20	0.53	5.18	0.51	5.18	0.51	5.25	0.58
April	4.60	0.78	5.38	5.19	0.59	5.17	0.57	5.15	0.55	5.22	0.62
May	4.84	0.81	5.65	5.43	0.59	5.27	0.43	5.39	0.55	5.44	0.60
June	5.43	0.55	5.98	5.67	0.24	5.70	0.27	5.71	0.28	5.77	0.34
July	5.40	0.77	6.17	5.87	0.77	5.74	0.33	5.77	0.37	5.89	0.49
August	5.39	0.51	5.90	5.86	0.47	5.62	0.23	5.67	0.28	5.76	0.37
Sept.	5.37	0.50	5.87	5.69	0.32	5.61	0.24	5.66	0.29	5.71	0.34

Source: McLeod, Young, Weir and Company Limited 40 Bond Yield Average.

(1) The yield for long-term Canada is based on a single bond, whereas 10 are used in the other fields.





REDISCOUNT RATES IN CANADA, THE UNITED STATES, AND THE UNITED KINGDOM,  
SELECTED YEARS 1937 TO 1961, MONTHLY TO MAY AND  
WEEKLY TO DATE FOR 1962

<u>End of Period</u>		<u>Canada</u>	<u>United States</u>	<u>United Kingdom</u>	
		%	%	%	
1937		2.50	1.00	2.00	
1948		1.50	1.50	2.00	
1950		2.00	1.75	2.00	
1951		2.00	1.75	2.50	
1952		2.00	2.00	4.00	
1953		2.00	1.50	3.50	
1954		2.00	2.50	3.00	
1955		2.75	2.50	4.50	
1956		3.92	3.00	5.50	
1957		3.87	3.00	7.00	
1958		3.74	2.50	4.00	
1959		5.37	4.00	4.00	
1960		3.50	3.00	5.00	
1961		3.24	3.00	6.00	
1962	- January	3.35	3.00	6.00	
	- February	3.42	3.00	6.00	
	- March	3.37	3.00	5.00	
	- April	3.32	3.00	4.50	
	- May	3.77	3.00	4.50	
	- June				
		7	3.87	3.00	4.50
		14	4.18	3.00	4.50
		21	5.17	3.00	4.50
		28	5.70	3.00	4.50
	- July				
		5	5.68	3.00	4.50
		12	5.73	3.00	4.50
		19	5.76	3.00	4.50
		26	5.72	3.00	4.50
	- August				
		2	5.64	3.00	4.50
		9	5.51	3.00	4.50
		16	5.30	3.00	4.50
		23	5.37	3.00	4.50
		30	5.20	3.00	4.50
	- Sept.				
		6	5.32	3.00	4.50
		13	5.23	3.00	4.50
		20	5.31	3.00	4.50
		27	5.24	3.00	4.50



Selected New Municipal Bond Issues  
September, 1962

- \$6,220,457 City of London  $5\frac{1}{2}\%$ , and  $5\frac{3}{4}\%$  1-20 year serial debentures.  
 The 1-5 year debentures are offered at prices to yield 5.50% and the 6-20 year, 5.60%.
- \$1,879,000 City of Oshawa 6% 1-20 serial debentures offered at prices to yield 5.90 on the 6-20 year serials.
- \$1,074,000 City of Westmount, Quebec,  $5\frac{1}{2}\%$  1-20 year serial debenture issue, offered at par to yield 5.50%.
- \$1,070,000 (U.S.) City of Sherbrooke, Quebec  $5\frac{1}{4}\%$  1-20 year serial debentures, offered at prices to yield 5.30%.
- \$1,500,000 City of Halifax  $5\frac{3}{4}\%$  1-20 year serial debentures. The 1-5 year serials are offered at prices to yield 5.60%, the 6-10 year, 5.65%, and the 11-20 year, 5.70%.
- \$1,000,000 County of Halifax  $5\frac{3}{4}\%$  1-20 year serials, offered at prices to yield about 5.85%.
- \$1,000,000 County of Halton, Ontario  
 \$500,000 (Can.) 6% 1-20 year debentures priced to yield 5.90  
 \$500,000 (U.S.)  $5\frac{1}{4}\%$  1-20 year debentures, privately placed in the U.S.

Selected New Corporation Bond Issues  
September, 1962

- \$10,000,000 (U.S.) Industrial Acceptance Corporation Limited  $5\frac{1}{4}\%$  20-year secured notes series Z, privately placed in U.S.
- \$7,500,000 Traders Finance Corporation, 6% 20-year debentures issue priced at \$99.50 to yield 6.04%.
- \$7,000,000 British Titan Products (Canada) Limited  
 \$1,000,000  $5\frac{1}{2}\%$  serial first mortgage bonds series A, due 1968-72, priced at par.  
 \$6,000,000 6% first mortgage sinking fund bonds series A, due July 3, 1982, priced at par.
- \$1,000,000 Clairtone Sound Corporation Limited  $6\frac{3}{4}\%$  sinking fund debentures series A, maturing September 1, 1974, priced at par. Each \$1,000 debenture carries 100 share purchase warrants.





Trends in Industrial Stock Indexes - 1948-1962

	Canada			New York					
	Toronto Stock Exchange(1)			Dow-Jones(2)			Standard and Poor's(3)		
	High	Low	Spread	High	Low	Spread	High	Low	Spread
1948	191.44	<u>149.13</u>	42.31	193.16	165.39	27.77	16.93	13.58	3.35
1949	207.36	157.28	50.08	200.52	<u>161.60</u>	38.92	16.52	<u>13.23</u>	3.29
1950	291.31	203.27	88.04	235.47	196.81	38.66	20.60	16.34	4.26
1951	360.88	290.69	70.19	276.37	238.99	37.38	24.33	20.85	3.48
1952	343.50	309.34	34.16	292.00	256.35	35.65	26.92	23.30	3.62
1953	326.81	296.79	30.02	293.79	255.49	38.30	26.99	22.70	4.29
1954	384.18	311.85	72.33	404.39	279.87	124.52	37.24	24.84	12.40
1955	455.90	374.18	81.72	488.40	388.20	100.20	49.54	35.66	13.88
1956	506.33	430.46	75.87	521.05	462.35	58.70	53.28	45.71	7.57
1957	490.42	380.06	104.36	520.77	419.79	100.98	53.58	41.52	12.06
1958	515.02	398.63	116.39	583.65	436.89	146.76	58.97	43.20	15.77
1959	<u>555.65</u>	489.77	65.88	683.90	571.73	112.17	<u>65.81</u>	56.75	9.06
1960	532.84	472.30	60.54	<u>685.47</u>	566.05	119.42	65.02	55.34	9.68
1961	(Based on Closing Quotations)								
Jan.	542.08	524.13	17.95	650.64	610.25	40.39	65.61	60.87	4.74
Feb.	550.75	539.19	11.56	662.08	637.04	25.04	67.79	64.54	3.25
March	560.00	548.25	11.75	679.38	661.08	18.30	68.78	67.06	1.72
April	576.00	558.69	17.31	696.72	672.66	24.06	70.62	68.10	2.52
May	588.06	578.13	9.93	705.96	686.49	19.47	71.25	68.90	2.35
June	593.88	576.44	17.44	703.79	681.16	22.63	71.05	68.22	2.83
July	595.69	580.25	15.44	705.37	679.30	26.07	70.65	68.00	2.65
Aug.	601.75	594.69	7.06	725.76	710.46	15.30	72.38	70.89	1.49
Sept.	610.35	594.33	16.02	726.53	691.86	34.67	72.27	69.17	3.10
Oct.	600.77	595.06	5.71	708.49	697.24	11.25	72.08	70.15	1.93
Nov.	611.98	600.96	11.02	734.34	703.84	30.50	75.60	72.20	3.40
Dec.	620.48	609.42	11.06	<u>734.91</u>	720.87	14.04	<u>76.69</u>	75.02	1.67
1962	(Based on Closing Quotations)								
Jan.	622.90	599.79	23.11	726.01	689.92	36.09	75.22	71.68	3.54
Feb.	623.29	608.79	14.50	717.55	702.54	15.01	74.67	73.21	1.46
Mar.	<u>628.60</u>	617.56	11.04	723.54	706.63	16.91	75.10	73.36	1.74
Apr.	<u>623.93</u>	607.73	16.20	705.42	665.33	40.09	73.16	68.58	4.58
May	617.73	557.96	59.77	675.49	576.93	98.56	70.13	60.02	10.11
June	566.13	<u>510.23</u>	55.90	611.05	<u>535.76</u>	75.29	62.37	<u>54.80</u>	7.57
July	540.52	<u>522.35</u>	18.17	597.93	<u>571.24</u>	26.69	61.03	<u>58.48</u>	2.55
Aug.	561.96	539.21	22.75	616.00	588.35	27.65	62.67	60.02	2.65
Sept.	554.17	529.08	25.09	607.63	574.12	33.51	61.90	58.22	3.68

(1) T.S.E. Index - 20 Industrials.

(2) Dow-Jones - 30 Industrials.

(3) Standard and Poor's Index - 425 Industrials.  
(1941-43=10).





COMPARISON OF SELECTED EXCHANGE RATES  
JUNE 7 TO SEPT. 27, 1961 AND 1962

	U.S. Dollar in Canada (Noon)		Canadian Dollar in New York (Close)		Pound Sterling in Canada (Close)		Pound Sterling in New York (Close)	
	1961	1962	1961	1962	1961	1962	1961	1962
June 7	.98 <sup>11</sup> /16	1.09	1.01 <sup>5</sup> /16	.91 <sup>3</sup> /4	2.75 <sup>7</sup> /16	3.06 <sup>1</sup> /8	2.79 <sup>1</sup> /32	2.80 <sup>57</sup> /64
14	.99 <sup>11</sup> /32	1.09	1.00 <sup>13</sup> /32	.91 <sup>47</sup> /64	2.78 <sup>3</sup> /16	3.06 <sup>3</sup> /16	2.79 <sup>5</sup> /16	2.80 <sup>15</sup> /16
21	1.02 <sup>1</sup> /2	1.09	.97 <sup>3</sup> /8	.91 <sup>3</sup> /4	2.86	3.06 <sup>1</sup> /4	2.78 <sup>29</sup> /32	2.80 <sup>61</sup> /64
28	1.03 <sup>1</sup> /3	1.08 <sup>1</sup> /32	.97 <sup>1</sup> /16	.92 <sup>1</sup> /2	2.87 <sup>3</sup> /8	3.03 <sup>11</sup> /16	2.78 <sup>55</sup> /64	2.80 <sup>7</sup> /8
5 July	1.03 <sup>7</sup> /8	1.07 <sup>31</sup> /32	.96 <sup>17</sup> /64	.92 <sup>21</sup> /32	2.89 <sup>9</sup> /16	3.03 <sup>1</sup> /16	2.78 <sup>3</sup> /4	2.80 <sup>25</sup> /32
12	1.03 <sup>9</sup> /16	1.07 <sup>7</sup> /8	.96 <sup>23</sup> /32	.92 <sup>11</sup> /16	2.88 <sup>1</sup> /8	3.02 <sup>3</sup> /4	2.78 <sup>17</sup> /32	2.80 <sup>45</sup> /64
19	1.03 <sup>3</sup> /32	1.07 <sup>27</sup> /32	.96 <sup>57</sup> /64	.92 <sup>23</sup> /32	2.87 <sup>5</sup> /8	3.02 <sup>7</sup> /8	2.78 <sup>57</sup> /64	2.80 <sup>7</sup> /8
26	1.03 <sup>3</sup> /16	1.07 <sup>27</sup> /32	.96 <sup>61</sup> /64	.92 <sup>3</sup> /4	2.88	3.02 <sup>1</sup> /2	2.79 <sup>13</sup> /64	2.80 <sup>35</sup> /64
August 2	1.03 <sup>3</sup> /32	1.07 <sup>13</sup> /16	.97	.92 <sup>3</sup> /4	2.88 <sup>9</sup> /16	3.02 <sup>1</sup> /2	2.80 <sup>1</sup> /16	2.80 <sup>19</sup> /32
9	1.03 <sup>13</sup> /32	1.07 <sup>25</sup> /32	.96 <sup>13</sup> /16	.92 <sup>49</sup> /64	2.90	3.02 <sup>1</sup> /2	2.80 <sup>35</sup> /64	2.80 <sup>31</sup> /64
16	1.03 <sup>1</sup> /8	1.07 <sup>25</sup> /32	.96 <sup>31</sup> /32	.92 <sup>51</sup> /64	2.89 <sup>1</sup> /8	3.02 <sup>3</sup> /8	2.80 <sup>5</sup> /8	2.80 <sup>33</sup> /64
23	1.03 <sup>1</sup> /16	1.07 <sup>23</sup> /32	.97 <sup>1</sup> /32	.92 <sup>53</sup> /64	2.89 <sup>1</sup> /8	3.02 <sup>3</sup> /16	2.80 <sup>27</sup> /64	2.80 <sup>23</sup> /64
30	1.03 <sup>1</sup> /16	1.07 <sup>23</sup> /32	.97 <sup>1</sup> /32	.92 <sup>53</sup> /64	2.89 <sup>5</sup> /8	3.01 <sup>15</sup> /16	2.80 <sup>43</sup> /64	2.80 <sup>7</sup> /32
6 Sept.	1.03 <sup>3</sup> /32	1.07 <sup>11</sup> /16	.97 <sup>1</sup> /64	.92 <sup>55</sup> /64	2.89 <sup>7</sup> /8	3.01 <sup>13</sup> /16	2.81 <sup>17</sup> /64	2.80 <sup>13</sup> /64
13	1.03 <sup>1</sup> /8	1.07 <sup>11</sup> /64	.96 <sup>63</sup> /64	.92 <sup>55</sup> /64	2.90	3.01 <sup>13</sup> /16	2.81 <sup>1</sup> /4	2.80 <sup>9</sup> /64
20	1.03 <sup>1</sup> /16	1.07 <sup>21</sup> /32	.97	.92 <sup>7</sup> /8	2.89 <sup>7</sup> /8	3.01 <sup>5</sup> /8	2.81 <sup>21</sup> /64	2.80 <sup>3</sup> /64
27	1.03 <sup>1</sup> /32	1.07 <sup>11</sup> /16	.97 <sup>1</sup> /64	.92 <sup>27</sup> /32	2.89 <sup>7</sup> /8	3.01 <sup>13</sup> /16	2.81 <sup>23</sup> /64	2.80 <sup>11</sup> /64











